Financial Management Systems Improvement Council
Meeting Notes
Room 209
Park Inn International
Rockville, MD
December 9, 1998

Attendees: Tom Baranouskas-PNNL, Ralph Bonner-SNL, Bruce Chrisman-Fermilab, Roger Corless-FDH, Gregg Crockett-K-H, Bill Goodwin-LMITCO, Paul Grefenstette-WSRS, Jim Herring-LANL, Paul Keele-DOE-ID, Jim Lopez-LLNL, Jim Martin-DOE-OR, Brian Morishita-LMITCO, Ron Ragland-LMES, Phil Schultz-LLNL, Betty Smedley-DOE-HQ
Guest Contractor: Colleen Yates-DynMcDermott
Other Guests: Frank Federman, Brookhaven; Mark Israel, Brookhaven; Greg Ogeka, Brookhaven; Aubrey Reynolds, Westinghouse Savannah River; Ike Smith, DOE-HQ

Ragland:
* Introduced Colleen Yates as the guest contractor.

Smedley:
* Budget Validation. Recommendations were made by the Budget Results Council to Mike Telson, DOE-CFO, that included the following.
    * Recommended that PSO's follow order 5700 on the work authorization process.
    * Provide full annual funding to the contractors and labs as soon as possible.
    * Automate the funding process.
    * Include a BRC representative on the DOE Business Management Information Systems (BMIS) effort.
* GAO travel audit. The GAO is conducting a major review of DOE related travel. A goal was established to reduce contractor travel by $35M over a five year period. Also of concern to the GAO are (1) the number of trips made to Washington, D.C.

and (2) the number of contractor personnel in Washington, D.C. and associated support costs (e.g . office space costs).

Bonner:
- Functional Cost. At the last Functional Cost Steering Group meeting they looked at the definitions that were recommended to them by FMSIC. LDRD, taxes and fee were accepted as recommended. Extraordinary legal costs should be included in OTHER. The Steering Group also concurred with the continuation of the functional cost peer review process. Changes affecting cost data will require updating of data through FY-1995. The Fermilab, SLAC and naval programs will now be required to report functional support costs.

Ike Smith:
- Made presentation on BMIS (see handouts).
- After his presentation the discussion focused on how to utilize skills and experience currently available among the contractors with implementing BMIS.
- It was decided that a team would be formed to provide guidance to Ike's team. Volunteering to offer personnel/ideas for the formulation of this team were Gregg Crockett, Jim Lopez, Mark Israel, Ralph Bonner and Bruce Chrisman. These people will send their ideas regarding the roles, responsibilities and structures of this team to Betty Smedley. Once the team interface concept is developed, the Council will determine how to best support the interface.

Bonner:
- FMSIC Travel survey of travel audit. Ralph requested that the Council members resubmit data for this survey. What is needed are the extrapolated unallowable costs and savings; i.e., what would it take to do a 100% audit.

Grefenstette:
- Provided a presentation on the Federal Accounting Standards. Copies of the "Overview of Federal Accounting Concepts and Standards (as of September 30, 1996)" and "Statements of Federal Financial Accounting Concepts & Standards - Savannah River Site Review" were handed out by Paul.
- It was stressed that with Jim Reid's retirement FMSIC needed to take a more active role with FASAB related issues.
- It was stated that this topic will appear on the next meeting's agenda.

Morishita

- FMSIC All-Contractors Meeting. In conjunction with the BRC the next FMSIC All-Contractors Meeting/BRC Annual Conference will be April 27-29, 1999 Hotel Inter-Continental, Chicago.
- The tentative schedule of events are:
  - April 26 - FMSIC Meeting
  - April 26 - FMSIC/Oracle User Group Meeting
  - April 26 - Pre registration
  - April 27 - Continental breakfast
  - April 27 - All-Contractors Meeting
  - April 27 - All-Contractors Meeting Luncheon
  - April 28 - Continental breakfast
  - April 28 - All-Contractors Meeting (half day)
  - April 28 - BRC Annual Conference (half day)
  - April 29 - Continental breakfast
  - April 29 - BRC Annual Conference
  - April 30 - BRC Meeting
- Suggested topics for the ACM were:
  - BMIS Update
  - Systems implementation issues - Gartner Group
  - IG presentation on reduction of auditing and cost efficiency - panel discussion.
  - Quality Auditing Steering Committee.
  - HQ perspective - Mike Telson.
  - BRC presentation.
  - Pricing of Products.
  - Post implementation update by contractors.
  - Data warehousing.
  - Contract Reform. Richard Haupf
  - Best practices.
  - Benchmarking.

Keele:

- Pricing of Products. There is a pilot project going on right now that is not authorized nor will it be accepted. A pricing of products team kickoff meeting will be held in January at Albuquerque. The initial direction of the meeting will focus on how to approach the pricing of products problem. Included on this team will be representatives from LLNL, Oak Ridge, Sandia, INEEL, LANL, and PNNL. The

teams deliverable will be to make a proposal to Mike Telson and Betty Smedley by May/June, 1999.

Ragland:
- Election of FMSIC Chairman, 2001-2002. The election was deferred until the next Council meeting, April 26, Chicago.